

## Message Text

CONFIDENTIAL

PAGE 01 CAIRO 07667 051443Z  
ACTION NEA-10

INFO OCT-01 EUR-12 ISO-00 SS-15 AID-05 EB-07 H-01  
NEAE-00 SSO-00 NSCE-00 USIE-00 INRE-00 SP-02  
NSC-05 EPG-02 TRSE-00 STR-04 OMB-01 CEA-01  
CIAE-00 COME-00 FRB-03 INR-07 NSAE-00 XMB-02  
OPIC-03 LAB-04 SIL-01 /086 W  
-----051500Z 016805 /43

O R 051325Z MAY 77  
FM AMEMBASSY CAIRO  
TO SECSTATE WASHDC IMMEDIATE 4743  
INFO AMEMBASSY ABU DHABI  
USMISSION EC BRUSSELS  
AMEMBASSY BONN  
AMEMBASSY DOHA  
AMEMBASSY THE HAGUE  
AMEMBASSY JIDDA  
AMEMBASSY KUWAIT  
AMEMBASSY LONDON  
AMEMBASSY OTTAWA  
USMISSION OECD PARIS  
AMEMBASSY PARIS

C O N F I D E N T I A L CAIRO 7667

E.O. 11652: GDS  
TAGS: EAID, EFIN, IBRD, EG  
SUBJECT: IBRD CONSULTATIVE GROUP - DEBT RESCHEDULING FOR EGYPT

REF: (A) STATE 101733, (B) CAIRO 7641

1. NUMBER OF CONVERSATIONS HERE WITH GOE OFFICIALS IN  
RECENT MONTHS, WHICH WERE BASIS OF EMBASSY REPORTING ON  
MATTER, INDICATED EGYPTIAN DELEGATION TO PARIS CG MEETING  
WOULD IN SOME MANNER RAISE DEBT RESCHEDULING AS DESIDERATUM,  
EVEN THOUGH NO SUCH REQUEST FOR INCLUSION OF SUBJECT ON  
AGENDA WAS MADE KNOWN TO US OFFICIALLY. WITH SUBSEQUENT  
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PAGE 02 CAIRO 07667 051443Z

EXTENSION OR PROMISE OF NEARLY \$2,000 MILLION THIS YEAR  
IN GODE OR GODE-GUARANTEED LOAN FUNDS FOR BOP SUPPORT,  
HOWEVER, LIKELIHOOD THAT CONFERENCE WILL HAVE TO  
CONSIDER OFFICIAL DEBT RESCHEDULING HAS GREATLY DIMINISHED.  
(LOCAL PRESS REPORTS LATEST \$1,500 MILLIN GODE-GOE  
LOAN AGREEMENT WILL BE SIGNED AT CAIRO TODAY--MAY 5--  
SO AS TO BE ON RECORD PRIOR TO OPENING OF CG).

AVAILABILITY OF GODE MONIES, MORE THAN \$800 MILLION OF WHICH WILL BE USED STRAIGHT AWAY TO MOP UP OUTSTANDING COMMERCIAL DEBT ARREARS, PROVIDES GOE NEEDED FLEXIBILITY IN DEALING WITH PROBLEM OF OFFICIAL DEBTS.

2. EMBOFFS IN ANY EVENT, DRAWING INITIALLY ON DRAFT POSITION PAPERS FOR CG AND REFTEL A, HAVE PASSED ON TO GOE SUBSTANCE OF USG VIEWS ON QUESTION. USAID DIRECTOR WAS TOLD MAY 4 BY MINPLANNING MEGUID, WHO WILL BE ON DELEGATION, THAT DEBT RELIEF ISSUE IS LESS PRESSING, IMPLYING IT WOULD NOT BE MAJOR QUESTION AT CG (REF B). MINECON UNDERSEC EL NAZER (REF B), ALSO MEMBER OF GOE DELEGATION, RESPONDED TO E/C COUNSELOR'S APPROACH ON SUBJECT MAY 5 TO EFFECT THAT DEBT RESCHEDULING IS DEAD ISSUE AS FAR AS CG IS CONCERNED.

3. IF GOE DELEGATION MAINTAINS COORDINATED POSITION (MEMBERS ARE SCATTERING ALREADY TO JOIN DEPPRIMIN KAISOUNI IN LONDON), DONORS EVIDENTLY WILL NOT BE FACED AT CG WITH FORMULATING RESPONSE TO REQUEST FOR DEBT RESCHEDULING. POSSIBILITY REMAINS, HOWEVER, THAT GOE ENVOYS COULD POSE QUESTION AT CONFERENCE TABLE. SUGGEST USDEL HEAD SEEK OPPORTUNITY TO PRESENT US VIEWS PRIVATELY TO KAISOUNI AT EARLY STAGE OF MEETING. EILTS

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
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**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
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**Disposition History:** n/a  
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**Enclosure:** n/a  
**Executive Order:** GS  
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**Litigation History:**  
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**Original Handling Restrictions:** n/a  
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**Previous Classification:** CONFIDENTIAL  
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**Reference:** 77 STATE 101733, 77 CAIRO 7641  
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**Review Release Event:** n/a  
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**Review Withdrawn Fields:** n/a  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** IBRD CONSULTATIVE GROUP - DEBT RESCHEDULING FOR EGYPT  
**TAGS:** EAID, EFIN, EG, IBRD  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/e084179a-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
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